(b) whether the deposits in Nationalised Banks and other Financial Institutions have decreased after grant of permission for opening of banks in Private Sector in the country; and

(c) if so, the remedial steps taken in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). The deposits of each of the nationalised banks as at the end of March 1994, March 1995 and March 1996 as furnished by Reserve Bank of India (RBI) is given in the enclosed Statement. RBI has reported that there has been no decline in the total deposits of nationalised banks since the advent of private sector banks from 1994. RBI has also further reported that only selected All India Financial Institutions (FIs) are allowed by RBI to accept term deposits and Certificate of Deposits (CDs). FIs rely on deposits as a source of funds on a limited basis. There is hardly any comparison between deposits raised by FIs and banks *inter alia* for the reason that the terms and conditions at which FIs are allowed to raise deposits are different from those at which banks raise deposits. Further, deposits by FIs are targetted at a different segment of investors than banks. Therefore, opening of new private sector banks could not have affected the deposits raised by FIs.

STATEMENT

Bank-wise Deposits of Nationalised Banks as at time end of March 1994, March 1995 and March 1996

(Rs. Crore)

	Name of Bank	March 1994	March 1995	March 1996
1.	Allahabad Bank	8452.80	9231.01	10148.92
2.	Andhra Pradesh	4041.47	5311.65	5962.22
3.	Bank of Baroda	23115.65	26286.56	28369.53
4.	Bank of India	21419.86	24480.24	22522.92
5.	Bank of Maharashtra	4483.76	5341.20	5921.20
6.	Canara Bank	18638.94	22475.11	26243.24
7.	Central Bank	15966.00	19654.55	19751.60
8.	Corporation Bank	4118.41	6136.29	5733.96
9.	Dena Bank	4923.57	5779.43	6476.41
10.	Indian Bank	11818.02	12739.96	13314.80
11.	Indian Overseas Bank	10804.81	12686.92	14588.74
12.	Oriental Bank of Commerce	5239.06	6673.46	8710.88
13.	Punjab National Bank	21930.87	24713.35	22122.89
14.	Punjab and Sind Bank	4025.87	5277.52	5877.42
15.	Syndicate Bank	10111.79	11777.01	12718.25
16.	Union Bank	11800.95	15482.52	17891.73
17.	United Bank	6991.95	8042.16	8789.93
18.	UCO Bank	9298.14	10328.34	11443.17
19.	Vijaya Bank	4294.62	5870.01	5988.51

[English]

Setting up of Tribunals

2238. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether some Tribunals were set up with the aim of removing delay and expediting the justice;

(b) if so, whether the aim has not been achieved;

(c) if so, the reasons therefor;

(d) the number of cases pending in the different Tribunals, tribunal-wise as on date and since when; and

(e) the steps the Government propose to take to tone-up the working of Tribunals?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c). A number of Tribunals have been set up by the Government under various Acts for dealing with cases arising under these Acts. These Tribunals

are under the administrative control of various Ministeries/Departments of Government of India. The Law Commission of India has undertaken a study on the functioning of the Tribunals.

(d) A statement showing the details of the number of cases pending and the year-wise break-up of the pending cases in respect of the Income-tax Appellate Tribunal and the Foreign Exchange Regulations Appellate Board which are under the administrative control of the Ministry of Law and Justice is enclosed.

STATEMENT

The number of cases pending before the Income-tax Appellate Tribunal and Foreign Exchange Regulations Appellate Board

Year	Cases pending in the in the Income-tax Appellate Tribunal (As on 01-11-96)	Cases pending in the Foreign Exchange Regulations Appellate Board (As on 01-12-96)
1975	1	-
1976	1	-
1977	-	3
1979	5	-
1980	8	-
1981	22	-
1982	31	5
1983	118	5
1984	118	23
1985	208	26
1986	306	93
1987	592	63
1988	1903	124
1989	4485	292
1990	14604	656
1991	31377	465
1992	44447	586
1993	47689	705
1994	50268	520
1995	56465	306
1996	46699 (as on 1-11-96)	333 (as on 1-12-96)
Total	299347	4205

Recommendations of Padmanabhan Committee

2239. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state :

(a) the details of the recommendations of the Padmanabhan Committee which have been accepted and rejected by RBI;

(b) the number of recommendations that have been implemented so far; and

(c) the time by which the remaining recommendations are likely to be implemented?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Reserve Bank of India (RBI) is reported to have accepted almost all the recommendations of the Padmanabhan Committee. No recommendation has been rejected. One recommendation relating to the differential periodicity of the on-site inspection based on the rating of banks has been referred to the Government for consideration before implementation. The major recommendations of the Committee are listed below :

(i) Strategy: The Working Group has recommended a shift in supervisory strategy from the current system of periodical inspections to a system of continuous on going supervision and periodical inspections. The system envisaged intergration of the newly introduced off-site monitoring system with periodical on-site inspections. There should also be target specific supplementary or bridge exercises on critical areas on an on-going basis.

(ii) Focus of Inspections: The focus of inspections has to be on solvency, capital adequacy, liquidity, operational soundness and managerial prudence.

(iii) Periodicity - The group has recommended on-site inspections to be conducted in two cyclical tracks viz annual biennial by dividing banks into two categories based on their reported/assessed financial and operational condition, and compliance record. The rating of banks would be an important factor for deciding the periodicity of inspections.

(iv) Inspecting outputs : Inspection should focus and produce output relating to assessments on three broad areas, viz financial condition, operating condition (system and controls) and quality of management and regulatory compliance, Assessment of Financial condition would consist of separate assessment on asset quality, solvency, capital adequacy, liquidity and earning performance.

(v) Supplementary vehicles : The group has recommended four types of supplementary on-site assessments between the inspections, viz. targeted appraisals, targeted appraisals at control sites, commissioned audits and monitoring visits.